

ECOLOGY

State of Washington

# WASHINGTON STATE'S INTEGRATED PLANNING GRANTS: **MAPPING THE ROAD TO SUCCESS**



### Who is eligible?

Local governments that own or want to acquire a brownfields site, and have access to it.

### What do IPGs pay for?

IPGs fund the groundwork so communities can make sound decisions:

- \* **Planning** (site, cleanup, redevelopment)
- Analyses (land use, regulatory, economic, financial, environmental)
- \* Assessments (human health, building inventory, infrastructure, cultural & natural resource)
- \* Implementation strategies
- \* Administrative costs
- \* Market studies
- Phase I & II ESAs
- <sup>\*</sup> Community involvement & outreach

### How did we create IPGs?

**Ecology started the IPG pilot project in 2007 by asking: "How can** we clean up more sites and help local governments confidently take that step towards cleanup and redevelopment?"

Following the successful six-year pilot, Washington State formalized the IPG Program in 2013 and made big changes to its cleanup **law.** The changes improved our transparency, accountability, and speed of cleanups. They also turned the concepts of "brownfields" and "redevelopment planning" into official tools that facilitate cleanups.

Today our cleanup law:

- \* Defines **brownfield property**,
- \* Prioritizes contamination risks & land reuse potential,
- \* Authorizes local governments to create a **brownfield renewal** authority & redevelopment opportunity zones (ROZ), and
- \* Authorizes Ecology to enter into prospective purchaser agreed orders & mixed funding settlement agreements for properties within a ROZ.

changes happen by:

- <sup>\*</sup> Creating new rules to structure our formal IPG Program,
- \* Clarifying the guidance for how rules are implemented,
- \* Streamlining our application process, and
- \* Adopting clear criteria to establish eligibility and funding priorities by asking questions such as:
- > What's the threat to human health and the environment?
- > Is it located within a ROZ? A highly impacted community?
- > Does it have a strong land reuse potential?
- > What's the applicant's readiness to proceed?
- local governments? What redevelopment opportunities?
- ...and other factors to help Ecology determine the best chance for success.

www.ecy.wa.gov/programs/tcp/brownfields/brownfields\_hp.html

### What are Integrated **Planning Grants (IPGs)?**

Unique, no-match grants that help local governments plan their brownfields cleanups and redevelopment--before they invest large amounts of money.

Washington State's innovative Brownfields Program awards IPGs up to \$200,000 for single sites, and up to \$300,000 for multi-sites within Redevelopment Opportunity Zones or Sub Area Planning under the Growth Management Act.

With IPGs, environmental work doesn't occur in a vacuum. Recipients integrate redevelopment with cleanup and match their development dreams with reality.

### How do we pay for IPGs?

Washington State's citizens passed an initiative in 1988 that established our cleanup regulation and authorized a 0.7% tax on first possession of hazardous materials.

These funds clean up, prevent, and manage contaminated sites. By law, 44% of this Hazardous Substance Tax goes to local communities and 56% goes to the state.

- \* IPGs are one of many grants under our Remedial Action Grant (RAG) program.
- \* Our RAG program is funded by the local communities' portion of the Hazardous Substance Tax.
- \* RAG grants and loans are available to local governments with matches between 0% and 50%.

Over its 30-year history, more than \$678M has been appropriated for the RAG program. During the past ten years, the RAG account balance varied between \$62M and \$92M per biennium, with IPG funding averaging \$1.5M per biennium. In the current biennium, RAG appropriation is \$65M and IPGs are funded for \$1.5M.

### In 2014, Ecology adopted new rules and guidance to make these

- > Will the grant expedite cleanup? Will it leverage other funds?
- > Where have other grants gone in the state? To what kind of

- \* Answers questions about scale, cost, and cleanup options. Acquisition and redevelopment are no longer blocked by environmental uncertainties.
- \* Assesses development options. Unlike most Brownfield grants, IPGs specifically include funding for redevelopment planning and market studies.
- \* Provides baseline evaluations for future work. An IPG can highlight data gaps so communities can develop additional plans.
- \* Encourages a holistic approach to cleanup. Development and cleanup options can be considered together, and effort won't be wasted on mis-matched choices.
- \* **Provides flexibility.** Every grant recipient determines their specific needs and chooses the activities that fit their project.



### What are the benefits of IPGs?

- \* Builds partnerships and support for cleanup and redevelopment. An engaged community builds a project's momentum, and just as importantly, moves it in another direction if initial plans lack support.
- \* Helps make acquisition decisions. Contamination and economic data can help local governments decide whether or not to purchase a site.
- \* Can be a catalyst. IPGs are often the first grants that leverage other money and support for future cleanup and redevelopment phases.
- \* Accessible to small communities. IPG's unique no-match feature means small communities can access them.
- \* Pays administrative costs. Inclusion of administrative costs can attract local governments that have fewer staff or no dedicated Brownfields staff.

### CASE STUDY #1: **NORTHERN STATE HOSPITAL**

he historic Northern State Hospital lies in the small community of Sedro-Woolley, north of Seattle, Washington. Listed on the National Register of Historic Places, the 225-acre campus was designed by famed landscape architects John Charles Olmsted and James Frederic Dawson in 1909 as a treatment facility for the mentally ill. When the campus closed in 1973, the future of this unique site was uncertain.

Buildings were demolished, new ones built, tenants came and went. Since the campus operated as a self-contained community (including power generation and engine maintenance) many sources could have contributed to the contamination suspected in soil and groundwater. But a resurgence is on the horizon. The Port of Skagit is exploring acquisition to preserve this important resource, and is partnering with public, state, and local governments on cleanup and redevelopment plans,

A \$200,000 Integrated Planning Grant was the catalyst for this revival. The Port tailored their IPG spending to suit their needs: redevelopment planning (64%), environmental investigation (28%) and feasibility analysis (8%).



## CASE STUDY #2: PALOUSE PRODUCERS

Palouse sits in the wheat fields of southeast Washington on the banks of the Palouse River. Its population is less than 1000, a mix of farmers and employees of nearby Washington State University. This community's downtown was undergoing a renaissance—with flood management, new community center, health center, and upgraded street lights—but one property blocked their ultimate vision.

Palouse Producers was a former fuel distribution center only 2/3 acre in size. Its history as a blacksmith, welding shop, and service station with leaking underground tanks contributed to gasoline, benzene, and metals in soil and groundwater. Risks to the river were unknown. Small investigations and partial cleanups occurred over 20 years, but contamination remained. Dilapidated buildings and on-site debris posed an eyesore and physical hazards for pedestrians. Acquisition was complicated by private ownership and bankruptcy proceedings, and costs to address contamination and potential impacts to development options were unknown.

Palouse was the first recipient of a Washington State Integrated Planning Grant. They used their \$200,000 grant for redevelopment planning (50%) and environmental characterization (50%).

**Products of this IPG:** Market/economic study \* Land use feasibility & conceptual plans \* Community outreach & engaged stakeholders \* Remedial Investigation/Feasibility Study \* Cleanup & implementation strategies.





**Products of this IPG:** Environmental assessments \* Existing conditions analysis \* Cleanup & redevelopment implementation strategies \* Community outreach & stakeholder engagement.

Funds leveraged: \$200,000 from Washington Department of Commerce for planning \* **\$150,000** from Ecology for environmental assessment \* Additional public & private investments.

**Outcomes:** Energized a commitment to cleanup & reuse \* Washington State's Legislature granted the Department of Enterprise Services authority to enter a longer-term lease, which will help obtain historic tax credits & financing.

**Today:** The Port is working to sublease the property to develop an innovation and research center to produce an Omni Processor and sanitation technologies to help developing countries.



Cleanup funds leveraged: \$478,000 for a Remedial Action Grant \* \$200,000 from a Revolving Loan Fund subgrant to provide RAG match \* \$150,000 through an EPA American Reinvestment and Recovery Act (ARRA) grant.

**Outcomes:** Characterized soil vapor impacts \* Ruled out surface water impacts \* Developed potential cleanup actions to fit redevelopment plans \* Removed physical debris & demolished buildings \* Generated reuse options capitalizing proximity to riverfront & WSU \* Matched development concepts with realistic needs that this small community could support.

**Today:** Palouse acquired the site and completed cleanup that integrates with future development. Groundwater monitoring continues but the site is ready to be developed.